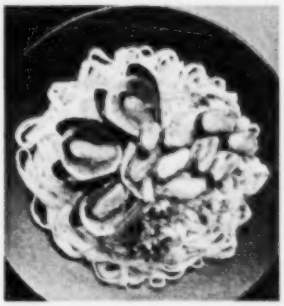
FISH PROCESSING LICENSING POLICY MANUAL



GOVERNMENT OF
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1.0 POLICY OVERVIEW

This manual provides guidance to the review and assessment process of the Fish Processing Licensing Board and identifies important factors in the recommendation-making process. The Board's analysis will consider the implications of a new licence or licence transfer on the region and the province. The justification for the issuance of a new licence or licence transfer will be consistent with government policies and consider all of the criteria outlined in this manual. It will be the applicant's responsibility to identify and address, as fully as possible, all matters relevant to the specific proposal and to comply with all governmental and regulatory requirements. Policies contained in this manual are subject to change.

1.1 Policy Objectives

The primary objectives of government's fish processing licensing policies are to:

- provide the conditions for a stable and competitive processing sector to exist with minimal public support;
- promote employment levels that provide adequate incomes;
- promote cooperation in the industry that enhances product quality and optimizes total returns from processing available resources; and
- seek a regional balance of resource availability and processing capacity so that viable fish processing activities contribute positively to rural economic conditions.

1.2 Licensing Authority

The licensing of fish processors and fish buyers is authorized under the *Fish Inspection Act* and the Fish Inspection regulations.

The Act and its regulations are designed to ensure that all fish and fish products intended for market meet certain health, quality and safety standards. As well, the Province's *Fish Inspection Act* establishes the authority of government and the Minister to provide for the regional distribution of processing licences, the development of the fishing industry in the province and other matters not directly related to fish quality.

The *Fish Inspection Act* was enacted in 1954 and the associated regulations were introduced in 1969. The Act and its regulations have been reviewed and periodically amended to address industry concerns and to support the implementation of government policy. The most recent amendment was made in 2004.

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1.3 Roles and Responsibilities

1.3.1 Licensing Board

The Board's main objectives are to assess and make recommendations to the Minister of Fisheries and Aquaculture regarding:

- licensing applications, including applications for new licences, and the consolidation and transfer of fish processing licences;
- applications for the addition of new species to existing fish processing licences, and where appropriate, make recommendations regarding licences on a regional basis; and
- corporate concentration, merger and acquisition issues in the context of fish processing licensing matters.

The Board is also subject to other objectives the Minister may determine.

The recommendations of the Board will be based on policy guidelines outlined in this manual as well as criteria and directions given to the Board in a public manner by the Minister of Fisheries and Aquaculture.

The Board's recommendations to the Minister of Fisheries and Aquaculture on all licencing proposals or requests made to government regarding fish processing licences will be made public as will the final decision made by the Minister. There will be no formal appeal process.

1.3.2 Secretariat

The Licensing and Quality Assurance Division of the Department of Fisheries and Aquaculture will act as Secretariat to the Board. The Secretariat will perform all administrative functions associated with the Board. It will review any applications and provide the necessary background and relevant information to the Board. All proposals and requests will be submitted to the Board and copied to the Minister.

The Director of the Licensing and Quality Assurance Division will act as Recording Secretary for the Board. The Secretary will be responsible for keeping minutes on all meetings and decisions of the Board and will also prepare a record of recommendations to be submitted to the Minister of Fisheries and Aquaculture. The record of recommendations is to be signed by the Chair or the Vice-Chair.

1.3.3 Minister

The Minister will have the following roles and responsibilities:

- Provide the Board with licensing policy guidelines, criteria and direction;
- Receive and review recommendations from the Board on licensing applications; and
- Publicly release the Board's recommendations and his/her final decisions on applications.

1.4 Species Licensing

One of the major elements of the new policy framework is the designation of species and species groups on licences. Commencing in 2005, primary processing plants will only be authorized to process a species or species group based on a minimum of one tonne finished weight production for that species or species group in at least one of 2001, 2002 or 2003. The exception is lobster where all current licence-holders of lobster will be issued this species. Production for 2004 does not qualify in establishing initial species designations unless a facility is given a transitional licence (see *Section 6.8*).

Other licences will be issued on the following basis:

- In-province retail processors will be issued a species or species group based on any level of production for that species or species group in at least one of 2001, 2002 and 2003. The exception is lobster where all current licence-holders of lobster will be issued this species.
- Fish buyers will only be authorized to purchase individual species from harvesters based on any level of purchases for those species in at least one of 2001, 2002 and 2003. The exception is lobster where all current licence-holders of lobster will be issued this species.
- Secondary processing licences will be issued based on the status quo with no minimum production levels for species.
- Aquaculture processing licences will be issued based on the status quo with no minimum production levels for species.

1.5 Maintaining Species

For a primary processing facility to maintain a species or species group on its licence, it must produce a minimum round-weight-equivalent volume of production for that species or species group in one of two consecutive years on a go-forward basis. The current list of species and species groups and the corresponding minimum production volumes required to maintain these species and species groups is outlined in Table 1.

For an in-province retail processing facility to maintain a species or species group on its licence, it must produce at least some level of production for that species or species group in one of two consecutive years on a go-forward basis.

For a fish buyer to maintain a species on its licence, it must purchase some volume of that species from a harvester in one of two consecutive years on a go-forward basis.

No minimum production levels are required for facilities to maintain species or species groups on a secondary or aquaculture processing licence.

Table 1. Species/Species Groups and Minimum Production Maintenance Requirements for Primary Processing Licence-Holders

Species/Species Group	Species and/or Products Included	Minimum Round-Weight-Equivalent Production to Maintain Species or Species Group (Tonnes)
Groundfish	Catfish, Cod, Cusk, Dogfish, Flounder, Grenadier, Hagfish, Hake, Halibut, Haddock, Monkfish, Pollock, Redfish, Shark, Skate, Turbot, Wolffish (including Groundfish By-Products)	10
Pelagics	Capelin, Herring, Mackerel, Smelt, Squid	10
Snow Crab	Snow Crab	10
Shrimp	Shrimp	10
Clam	Clam, Cockle	10
Other Crab	Rock, Toad, Atlantic King, Porcupine, etc.	5
Eel	Eel	1
Lobster	Lobster	0
Lumpfish	Lumpfish, Lumpfish Roe	1
Mussels (Aquaculture)	Farmed Mussels	1
Salmonids (Aquaculture)	Farmed Atlantic Salmon, Farmed Steelhead	1
Salmonids (Wild)	Arctic Char	1
Scallop	Scallop	1
Sea Cucumber	Sea Cucumber	1
Seal	Seal Meat, Seal Oil, Seal Pelts	0
Sea Urchin	Sea Urchin	10
Tuna	Tuna	1
Whelk	Whelk	5

Note: This list may be amended by the Minister from time to time.

2.0 Definitions

The terms below are referenced in this manual and working definitions have been adopted for this policy manual. Other terms that are not explicitly referenced in this manual are defined in the *Fish Inspection Act* and the associated regulations.

Agency Agreement means an agreement between a licensed processor and another person which authorizes that person to buy fish or marine plants on behalf of the licensed processor.

Annual Report means the report on processing operations for the preceding year required under section 10.2 of the *Fish Inspection Act*.

Aquaculture Products are those fish products that are harvested from an aquaculture site licensed under *The Aquaculture Act* and processed in this province.

Carton includes a type of receptacle, package, wrapper or confining band used in holding, storing, packing or marketing fish or marine plants.

Change of Operator means a change in the corporate structure of the company currently holding the licence, or a change in the name of the licence holder resulting from a sale or lease of the fish processing establishment by the owner to a new operator.

Container refers to any means by which fish or marine plants may be held and includes a vessel hold, boat pen, vehicle storage area, tote pan, fish bag and an insulated box.

Department refers to the Department of Fisheries and Aquaculture, unless stated otherwise.

Emerging Fisheries are categorized as developmental fisheries for species which have not traditionally been harvested to any significant extent.

Establishment means a place where fish or marine plants are handled, processed, graded or stored, or where records relating to that handling, processing, grading or storing are kept.

Fish includes finfish, marine invertebrates or marine mammals, whether caught or farmed, and parts, products or by-products of them.

Fish Landing Station means any site where fish or marine plants are offloaded for the purpose of marketing.

Food Establishment Licence means a licence that has been approved by the Department of Health and Community Services and has been issued to a facility by the Department of Government Services and Lands, for the preparation of fish products for over-the-counter sales.

In-Province Retail Processors are processors who are authorized to buy and process the species identified on their licence for the purpose of supplying fish products for sale in the Province of Newfoundland and Labrador: (a) to the ultimate consumer; (b) to retail establishments (i.e.,

convenience stores and supermarkets) for sale to the ultimate consumer; or (iii) to institutions that prepare and serve fish products to the ultimate consumer.

Inspector means an inspector appointed under the *Fish Inspection Act*.

Licence Transfer is the movement of one or more species or species groups from one plant to another which results in the elimination of those species or species groups from the licence or the elimination of the licence if all species and species groups are moved.

Marine Plants includes Irish moss, kelp, and other marine plants, parts, products or by-products of them.

Marketing means the buying, selling, holding in possession, offering or advertising for sale of fish or marine plants.

Minimum Processing Requirement means the minimum processing required by the Minister.

Minimum Production Requirement means the minimum amount of production required by the Minister to be processed by a processor.

Minister refers to the Minister of Fisheries and Aquaculture.

Northern Labrador is defined as the region North of Lake Melville.

Person includes a corporation and the heirs, executors, administrators or other legal representative of a person.

Primary Processing means the processing of fish as part of its preparation for market by applying any one or more of the following processes to it: washing, cleaning, icing, skinning, shucking, filleting, portioning, pickling, cooking, salting, curing, drying, freezing or canning. A primary processed fish or seafood product is one that has been washed, cleaned, iced, skinned, shucked, filleted, portioned, pickled, cooked, salted, cured, dried, frozen and/or canned.

Processing Plan means the annual processing plan filed with the Minister in anticipation of the processing to be undertaken by the processor for the year following, containing the information required by the regulations

Resource Threshold refers to the average volume of raw material for a species or species group that has to be available per year per active licence in order for any consideration to be given to issuing a new licence for that species or species group.

Secondary Processing means the processing of fish as part of its preparation for market beyond the primary processing stage. This can be achieved by (1) adding one or more ingredient(s), other than water or salt, which results in a substantive increase to the bulk and/or a substantive transformation to the taste and texture of the fish as a food product (e.g., au gratin, chowder or sauce); or (2) applying some other treatment or process to it, other than salting or curing, which

results in a significant taste, flavour and/or texture enhancement of the fish as a food product (e.g., breading, battering, smoking, marinating or pasteurizing).

Value-Added Processing of Snow Crab means the processing of snow crab for market in any form other than as crab sections and/or whole crab. Examples include: snap and eat, consumer pack and meat products.

"*Snap and Eat*" products are identified as sections on which the individual legs have been scored or notched in order to allow the consumer to more easily break the shell of the crab section and to extract the meat.

"*Consumer pack*" products are identified as packages or containers of snow crab sections, not exceeding two pounds (907 grams) which contains a quantity of product which would represent an amount which will be sold at retail establishments for consumption as an individual meal portion.

"*Meat products*" are identified as cap-on claws; cap-off claws; broken leg meat; leg meat; minced; combination packs; and salad packs.

3.0 Licensing Criteria

There are a number of licensing criteria that the Board may factor into its assessment of licensing applications. The following sections explain these criteria in more detail. The Minister may also provide the Board with other criteria and direction.

3.1 Resource Availability

Resource availability changes dramatically from time to time and, as a result, the processing industry in Newfoundland and Labrador will continue to face challenges related to the quantity of fish that is available for processing. Government's licensing policy will aim to minimize the impacts of resource fluctuations and seek a degree of balance between regional resource availability and regional processing capacity so that viable fish processing activities can contribute positively to rural economic conditions. Processing capacity is influenced by many factors including seasonality, market conditions and technology. Addressing overcapacity is a challenge but managing processing licences subject to resource availability is a measure that should contribute to narrowing the gap between resource availability and processing capacity.

Applicants for new licences, licence transfers or changes of operator must clearly demonstrate that they have access to the fish resources they plan to process. This access should not negatively impact other processing operations or regions within the Province. For groundfish, pelagics, snow crab and shrimp, resource thresholds will determine whether there is ample resource available to justify the authorization of a new licence. This is explained in Section 3.4. For other species, the Board will have to assess whether or not there is ample resource available to warrant a new licence or licence transfer such as insufficient regional capacity, lack of sales outlets for harvesters or resource gluts that cannot be handled by current licence-holders.

3.2 Viable Business Plan

Proponents must demonstrate in their licensing application the viability of the proposed venture and provide detailed information on the following:

- Raw Material Sources (information to demonstrate the ability to access the amount of raw material necessary to maintain a viable operation);
- Physical Plant (a description of the plant and all of its features should be provided including pictures and a diagram of the production area, construction, layout and equipment to be utilized);
- Production Plan (description of production methods and product types to be processed);
- Marketing Plan (information should be provided to indicate the anticipated products to be produced, target markets, anticipated prices and promotional plans);
- Management (identify key staff needed for the successful operation of the enterprise);
- Employment (information indicating the number of persons who will be employed including operating periods and anticipated wages and salaries);

- Financing (information to demonstrate the ability to obtain the appropriate financing including demonstrations of personal reserves, and/or letters of assurance from banks if the project is equity financed);
- Previous Year's Financial Information (prepared by an accountant or other person competent to express an opinion on the financial information provided);
- Pro-forma Financial Information (Pro-forma financials should include financial data showing the projected cash flows on a monthly basis for the first year and on a yearly basis for the following 3 years. Pro-forma balance sheets and income statements should be prepared on a yearly basis for four years); and
- Copy of Articles of Incorporation and confirmation of being in good standing with Registrar of Companies.

3.3 Regional Balance

The Board must consider regional balance as a criterion in its assessment of all licensing applications. In its broadest context, regional balance refers to a matching of processing capacity to adjacent resources in a geographical area. The nature of the industry, however, prevents a mathematical formula approach to the application of this criterion. Therefore, the Board will have some discretion in its application of this concept.

Generally, regions can be based on geographic features such as peninsulas (e.g., Burin Peninsula, Northern Peninsula, Bonavista Peninsula and Avalon Peninsula). Each of these peninsulas or regions is adjacent to NAFO Management Zones (see Annex E) and adjacent harvesters are licensed to prosecute fisheries in the regions. Consideration should be given to the volumes of raw material landed in a region versus the number of plants in that region and the associated processing capacity.

Some regions will be net importers of raw material while others will be net exporters. As a general guide, applications for new licences and transfers should not normally be considered in regions that are net importers of a particular species of raw material. In addition, the fact that an area is a net exporter of raw material is not sufficient in and of itself to warrant the addition of a new species licence.

It must be kept in mind that many processing facilities process fish that is landed by harvesters from many areas of the province. As well, many harvesters in a region do not necessarily land their fish in the NAFO area in which the fish is caught. As such, caution is warranted when applying the principle of regional balance.

3.4 Resource Thresholds

The Dunne Commission report recommended a resource threshold approach be adopted to guide the issuance of new licences. The establishment of thresholds will provide the Licensing Board with clear, measurable criteria in their assessment of applications. The report noted that: "*One of the major deficiencies in licensing actions to date has been the lack of any clear or explicit connection to the amount of raw material required by existing or newly licensed facilities. Licences have been issued with no apparent assessment of whether the necessary raw material would be available on an incremental basis or would simply come from an already fully subscribed supply. In all too many cases, the latter was the reality.*"

The resource threshold approach is meant to provide a balance between the available resource and the ability of plants to process fish harvested. The inshore sector is seasonal and, as such, the number of processing licences and the amount of fish processed must coincide with the landings pattern, market demand and relative capacity utilization in the industry. In considering the issuing of new licences, the Board will examine the applicable resource threshold as a means to assess whether existing licence holders' resource requirements have been reasonably accommodated.

The thresholds proposed will be periodically reviewed by government with an automatic review triggered when the average raw material available for processing per active plant in a given year reaches 85 percent of the threshold levels outlined. This is to ensure that the established thresholds continue to meet government policy objectives.

The following resource thresholds have been established for shrimp, snow crab, groundfish and pelagics. These thresholds are summarized in Table 2.

Shrimp – Based on recent industry studies, the resource threshold for shrimp has been set at 8,000 tonnes.

Snow Crab - Given historical performance and the current state of the snow crab industry, the resource threshold for snow crab has been set at an average of 2,200 tonnes of raw material per year per active licence.

Groundfish – Based on historical landings and low utilization rates, the resource threshold for groundfish has been set at 2,500 tonnes per year per active licence.

Pelagics - Based on peak historical landings of capelin, herring and mackerel, the resource threshold for pelagics has been set at 2,400 tonnes of raw material per year per active licence. At this time, squid and smelt will not be included in the calculation of the resource threshold for pelagics.

Table 2. Summary of Resource Thresholds

Species/Species Group	Average Tonnes Per Active Licence	Review Level (tonnes)
Shrimp	8,000	6,800
Snow Crab	2,200	1,870
Groundfish	2,500	2,125
Pelagics*	2,400	2,040

* *excluding squid and smelt*

Other species/species groups: Other species and species groups not listed in Table 1 have no resource thresholds at this time. New licences for other species and species groups will be based on resource availability which will have to be demonstrated by applicants in submission of their licensing applications and business plans.

3.5 Location Criteria

Applications for new licences and licence transfers should meet the following criteria:

- Proximity to resources to be processed;
- Proximity to an adequate area labour pool;
- Existing processing facilities;
- Existing harbour facilities for landing, offloading and tie-up requirements;
- Existing industrial infrastructures; and
- Proximity to acceptable levels of social, educational, health, telecommunications and commercial services.

The assessment process could involve the comparison of a number of applications for a new licence for the same species in which case the proposal(s) that best meets the above criteria may be issued a licence. As well, a stand-alone application could be assessed on its own merit.

3.5.1 Proximity to Resources

A licensing application for a given species will be assessed based on the proposed processing facility's proximity to the fish resource. An adjacent facility would normally be defined by NAFO area. When a border of a NAFO area is defined by a land area, the land area is adjacent to the NAFO area. Where no border of a NAFO area is defined by land, as is the case in areas 3N, 3O and 4Vs, then the land area geographically closest to these areas would be identified as the adjacent area. Recognition must also be given to historical participation and, therefore, community dependence on a given species. In this way, the historical attachment of areas which have traditionally relied on particular fish stocks will be protected.

3.5.2 Proximity to Adequate Area Labour Pool

It is the responsibility of the applicant to demonstrate that there is an adequate area labour pool to justify the new licence or transfer. This would require a sufficient population base upon which the facility could draw the required number of appropriately skilled or trainable workers. As well, characteristics such as age, gender, education level and occupation types would have to match the profile of the workers required for the operation. It is also important for the available workforce to be sustainable over the longer term. For example, projections may show that the demographics of a certain area are expected to change drastically in the future which could affect the available labour pool. The applicant must show in the application how this can be alleviated.

3.5.3 Existing Processing Facilities

The purpose of this criterion is to try to deal with the ongoing challenge of excess processing capacity in the province. In an effort to utilize existing capacity and avoid investment in further capacity, first priority will be given to existing, active plants. At the same time, the facilities must be suitable for the species licence being requested. The applicant must provide the following details on the existing facility:

A. Current Overview of the Plant
- History of plant;
- Species processed;
- Infrastructure (e.g., icing, freezing, offloading, processing equipment, etc.);
- Capacity (e.g., volume production/day, frozen storage capacity, etc.);
- Number of employees, duration of employment, wages and salaries paid;
- Level of processing;
- Length of season; and
- Plans for future expansion/development.

B. Projections for New Species/Licence
- Species to be processed;
- Infrastructure to be utilized (e.g., icing, freezing, offloading, processing equipment, etc.);
- Capacity (e.g., volume production/day, frozen storage capacity, etc.);
- Number of employees, duration of employment, wages and salaries to be paid;
- Level of processing;
- Length of season; and
- Plans for future expansion/development.

3.5.4 Existing Harbour Facilities

It is important that a processing facility is in close proximity to adequate harbour facilities. The Board will review the following information in its assessment:

- Location of closest harbour facilities for the species to be purchased;

- Types of facilities and services (e.g., offloading wharves, handling devices for offloading, handling system from dockside to transportation or holding units, trucking operation at wharf, fish holding units, refrigeration, transportation to processing facilities, supply of ice, electric power supply, salt/pickled storage, fresh and salt water supply);
- Function, dimensions, capacity;
- Proximity to other infrastructure;
- Ability of site to handle landings; and
- Anticipated changes required based on species or species group(s) requested.

Wherever possible, it is important that a new licence goes to a facility with adequate harbour facilities already in place and in close proximity. Otherwise, there is a substantial cost involved in setting up the necessary infrastructure or upgrading existing facilities. Also, without adequate harbour facilities in close proximity, there are potential delays in handling and transportation of fish to the processing facility which affects quality and safety.

3.5.5 Existing Industrial Infrastructure

The premise of this criterion is to avoid putting a fish processing licence in an area that does not have the existing industrial infrastructure to sustain the operation or is unable to accommodate the operation without negatively affecting the services of existing users. At the same time, government does not want to encourage developing this infrastructure and duplicating services when there may be excess capacity in other areas of the Province.

The applicant must show that the industrial infrastructure listed below is sufficient for the operation and there will be no detrimental impact on existing systems and no substantial public cost required in supplying this infrastructure.

- Adequate volume of fresh and salt water for operation;
- Appropriate electrical power (e.g., three-phase);
- Adequate waste disposal services; and
- Sufficient transportation network

Consultation with the Department's regional staff, as well as other government departments, may be necessary to confirm the information in the application and to provide the input necessary in determining whether the proposal meets this criterion.

3.5.6 Proximity to Social, Educational, Health, Telecommunications and Commercial Services

Factors such as personal health, cost of living, social and environmental setting, community services, education, and telecommunications all play a key role in contributing to the quality of life within a community. The applicant must demonstrate the availability of community services, hospitals, schools, telecommunications services and commercial services and the relative proximity of these services to the proposed operation and its workforce.

3.6 Corporate Concentration

The Board must review the level of concentration of ownership as it considers requests for changes of operator, licence transfers, and the issuance of new licences. The intent of this policy is to ensure that any one company or corporate group does not acquire a position within the industry that could result in it having an undue influence in day-to-day dealings with harvesters or other processors.

Most of the product produced in the province is destined for export markets, and as such, the Board should not normally be concerned with the impact of a firm's behaviour on the price the fish products receive in the marketplace. The main focus of the Board should be on the impact of corporate concentration on the price paid for raw material and provision of services in the region(s) where fish is to be purchased.

Wherever possible, a region will be defined relative to the actual sales and purchases of fish products between harvesters and buyers in a given geographic area. When assessing applications, the Board should consider the buying patterns of companies within the region where the company will operate. The Secretariat will compile this information which should help indicate the level of activity within an area and the potential impact within a region.

If the Board believes that the degree of corporate concentration associated with an application is of concern, it should take the following factors into consideration:

- geographic area;
- potential for influence on raw material price or services;
- collective bargained versus non-bargained species;
- degree of competition as indicated by the number of buyers operating in an area;
- anticipated degree of potential impact;
- Competition Bureau regulations and guidelines pertaining to mergers. (If the Competition Bureau is reviewing a merger notification, the Board should await the outcome before making a recommendation on the application.); and
- other relevant information.

In order for the Board to do its work, all applicants must provide a profile of company ownership. This must include a complete list of all shareholders. For non-publicly traded companies, any shareholder that has a five percent or greater interest in the company and also operates its own fish processing company in the province must indicate their interests in that company or companies.

4.0 Application Process

This section outlines the application process and the policies and procedures for dealing with various types of licences and applications.

Applicant

The Applicant will:

- publicly advertise the intent to submit an application in accordance with the policy outlined in *Section 6.1 – Advertisement of Applications*; and
- submit application and corresponding fee for a new licence (i.e., primary, secondary or aquaculture), licence transfer or change of operator.

Secretariat

The Secretariat will:

- record application for a new licence, licence transfer or change of operator;
- ensure application fee is submitted and all required information is included with application;
- acknowledge receipt and outline the assessment procedure to the applicant;
- copy application to Board members and the Minister;
- review application and prepare necessary background and relevant information;
- seek comments and information from Regional Directors and applicable Branches/Divisions within the Department on the companies and stakeholders involved (comments and information are required within five working days of the request and should include the effect that the new licence, transfer or change of operator will have on the communities involved, proposed operating season, employment numbers and employment area, any quality initiatives involved and types of products to be produced);
- seek comments and relevant information from other government departments and agencies (comments are to be submitted within ten working days);
- receive and summarize any comments provided by interested parties in response to the public advertisement of the licensing application;
- compile background information and comments/information from Regional Directors and other departments and agencies and provide copies to the Board and the Minister;
- handle administration and logistics for public meetings (if required); and
- put application on the agenda for the next Board meeting, provide Board with an application summary, take minutes and prepare a record of recommendation for submission to the Minister.

Board

The Board will:

- review application and comments and relevant information from the Secretariat, Regional Directors, other Branches/Divisions and other government departments and agencies, as well as any responses received as a result of the proponent's public advertisement of the application;
- hold open public meetings (if required);
- evaluate the application based on government policy and assessment criteria taking into account all comments and information received from various stakeholders;
- reach a consensus on a recommendation, but where a consensus cannot be achieved, vote on the application with the final recommendation based on majority rule; and
- submit record of recommendation to the Minister.

Minister

The Minister will:

- review the recommendation from the Board;
- make final decision on application;
- inform applicant of his/her final decision; and
- publicly release the Board's recommendation and his/her final decision.

5.0 Licensing Policies

This section deals with government policies regarding new and existing primary, secondary, aquaculture and retail processing licences, fish buyer's licences, licence transfers and changes in operators of processing facilities.

5.1 Primary Processing Licences

This section deals with government policy on primary processing licences.

5.1.1 Policy

Primary processing licence holders may source fish directly from harvesters.

New primary licences for groundfish, pelagics, snow crab and shrimp will only be considered when there is enough resource for expansion as indicated by resource thresholds outlined in *Section 3.4 – Resource Thresholds*.

New primary licences for other species (except emerging fisheries) may be issued based on resource availability as outlined in *Section 3.1 – Resource Availability*.

Limited numbers of licences (normally up to six) will be issued for new primary processing licences for emerging fisheries species based on resource availability and regional balance as outlined in Sections 3.1 and 3.3 respectively. Additional licences for emerging fisheries species will only be considered when there is evidence to suggest that there is enough resource for expansion.

Proponents submitting applications for a new primary licence must have publicly advertised the application prior to its receipt by the Board as outlined in *Section 6.1 – Advertisement of Applications*.

5.1.2 Rationale

One of the major elements of the new policy framework for the fish processing sector is the designation of species or species-group licences. The open-ended approach of Core eligibility for any species created potential and actual excess processing capacity, especially for emerging species. Over time, the new species licensing approach may better align processing capacity with resource availability. This approach should also direct fish processing activities into specific strategic regions by using selected criteria to prioritize licensing applications.

The approach to emerging species will give all processing establishments equal opportunity to develop these species. At the same time, it will limit the number of entrants so as to make initial development of the given species more viable. Additional licences will only be considered once

it is clear that there is adequate resource available to warrant capacity expansion. This is in line with government's policy to match processing capacity with resource availability.

The advertisement of new primary licence applications will accommodate industry/community views.

5.2 Secondary Processing Licences

This section deals with government policy on secondary processing licences.

5.2.1 Policy

Secondary processing licence holders may source fish directly from harvesters.

Secondary processing licences are not specifically restricted by resource considerations, and are encouraged where applicants submit a detailed, viable business plan.

All primary processors may carry out secondary processing on species for which they are licensed.

Secondary processors will not be authorized to engage in the production for sale of primary processed products.

Proponents submitting applications for a secondary processing licence must have publicly advertised the application prior to its receipt by the Board as outlined in *Section 6.1 – Advertisement of Applications*.

5.2.2 Rationale

In the Department's efforts to encourage value-added and further processing of fish products, secondary processing establishments are able to purchase raw materials directly from harvesters. At the same time, existing primary processors are able to carry out further processing of the species for which they have a licence, as it will extend the operating season of the plant and add value to the primary processed product.

5.3 Aquaculture Processing Licences

This section deals with the policy for the issuance of new processing licences for aquaculture.

5.3.1 Policy

New licences for aquaculture processing establishments may be considered on a case-by-case basis where a detailed, viable application is submitted.

These processors will be limited to aquaculture species harvested from any aquaculture site licensed under *The Aquaculture Act*.

Proponents submitting applications for an aquaculture processing licence must have publicly advertised the application prior to its receipt by the Board as outlined in *Section 6.1 – Advertisement of Applications*.

5.3.2 Rationale

The aquaculture industry is characterized by product dispersed over a number of geographical areas of the province and harvested year round. It is usually uneconomical for established processors of commercial fish species to operate their facilities to accommodate the processing of farmed fish on this basis. Thus, there may be a requirement for processing facilities that just process fish coming from aquaculture operations. In addition, proximity of the processing facility to the aquaculture site is crucial to preserving quality, particularly for species which are marketed live.

5.4 Retail Processing Licences

This section covers the policy on in-province retail fish processing licences.

5.4.1 Policy

No new in-province retail fish processing licences will be issued. Existing in-province retail processing licences may be transferred in accordance with *Section 5.6 – Licence Transfers*.

Existing in-province retail processors may source fish directly from harvesters.

A new retail fish operation must apply for a food establishment licence through a Government Service Centre of the Department of Government Services and Lands. These retail establishments are not authorized to source fish directly from harvesters.

Department of Fisheries and Aquaculture inspectors will continue to apply quality standards to all existing retailer processors and food establishments that sell fish products.

5.4.2 Rationale

When in-province retail processing licences were introduced in 1991, it was a means of regulating fish destined for local markets, to ensure the fish was processed in establishments that meet minimum processing requirements. Despite the fact that strict limitations were placed on these processors, it was felt that these licences resulted in the addition of new processing capacity. Therefore, no new retail processing licences will be authorized to buy fish directly from harvesters.

Quality standards will be adhered to in all operations, since the Department will continue to inspect all existing in-province retail processors and food establishments selling fish.

5.5 Fish Buyer's Licences

This section covers the policy on fish buyer's licences.

5.5.1 Policy

Holders of fish buyer's licences may purchase fish directly from harvesters.

All fish, other than live eels and lobsters, purchased by a licensed buyer must be marketed through a licensed fish processor.

No new fish buyer's licences will be issued.

Existing holders of buyer's licences will not be granted authority to add or transfer any additional species to their licences.

If an individual holds an active buyer's licence and wishes to incorporate, he/she may submit a request to the Board for the licence to be issued in a company name and the Board may recommend to the Minister that the licence be issued in this company name.

If a number of active buyer's licence holders wish to amalgamate their licences under a new company, they may submit a request to the Board for a change of operator and the Board may recommend to the Minister that the licences be issued in the new company name.

5.5.2 Rationale

In the past, a buyer's licence provided a service or exercised competition for raw material in certain regions. Their role in recent years is diminishing as processors provide many of the same services. There are a sufficient number of "grandfathered" buyers who will be able to purchase the fish species for which they hold licences.

The requirement that all species of fish, except for live lobster and live eel, purchased by a buyer be marketed through a fish processing establishment is part of the quality assurance program. It will ensure that all fish is subject to inspection.

Some buyer's licences are currently held by individuals and it may be necessary to issue licences in company names to accommodate individuals who wish to incorporate. In the case of amalgamation, a number of licence holders may wish to combine all of their licences under one company name.

5.6 Licence Transfers

This section covers the policy regarding the transfer of species or species groups on a licence from one facility to another.

5.6.1 Policy

There will be no temporary transfers.

All transfer requests will be considered by the Board on a case-by-case basis.

Transfers may only be considered for licences that have been validated for the year in which the transfer request is made.

Individual species or species groups held on a licence may be transferred between active facilities.

In order to transfer from an active facility to an unlicenced facility, all species and species groups on a licence must be transferred.

The transfer must take into account resource considerations in the area from where the licence is transferred as well as the area to where the licence is being transferred.

NAFO Management Zones (see *Annex E*) will be used in determining resource availability and processing activity. Transfers may be considered within and between management zones.

Licence transfers within a management zone need not consider the balance between resource availability and processing capacity.

Licence transfers between management zones shall consider the balance between regional processing capacity and resource availability.

Proponents submitting applications for a licence transfer must have publicly advertised the application prior to its receipt by the Board as outlined in *Section 6.1 – Advertisement of Applications*.

5.6.2 Rationale

The licence transfer policy helps provide some flexibility for processing facilities where viability and resource availability are demonstrated. Transferring licences also avoids the need to increase the number of facilities engaged in primary or retail processing.

The advertisement of licence transfers is part of the transparent process to accommodate industry/community views.

5.7 Change of Operator

This section covers the policy for a change of operator for a fish processing or buyer's licence.

5.7.1 Policy

A change of operator is only applicable to active plants or active buyer's licences.

When a person sells or leases a licensed plant, the new operator must make application to the Board for the issuance of the fish processing licence in the new operator's name.

A change of operator is not the same as a licence transfer. When a licence is transferred, the licence is moved to a new location, whereas a change of operator involves new principal shareholders but the physical location remains the same.

A change of operator of a fish buyer's licence may only be considered where the purchaser buys the company holding the licence.

Proponents submitting applications for a change of ownership must have publicly advertised the application prior to its receipt by the Board as outlined in *Section 6.1 – Advertisement of Applications*.

5.7.2 Rationale

The operation of a licensed processing establishment sometimes changes with the new operator applying for licences held by the previous operator. It is necessary for the new operator to submit a business plan, in order for the Board to determine the new company's commitment to

the operation of the facility, with respect to employment, operating season and quality initiatives, and the viability of its plans.

6.0 Other Policies and Procedures

This section deals with other policies and procedures related to licensing.

6.1 Advertisement of Application

This section deals with the policy and procedure for advertising the applicant's intent to apply for a new licence, licence transfer or change of operator.

6.1.1 Policy

An applicant for a new licence, licence transfer or change of operator shall give notice of his or her intention to apply for the licence, by advertisement in the form prescribed in Annex D, once a week for two consecutive weeks. The application can be submitted concurrently with the placement of the advertisement.

For a new licence or change in operator, the advertisement must appear in the Classified Section of: (1) a newspaper (Saturday edition) with province-wide circulation and (2) a newspaper circulating in the area in which the licence or change of operator is requested.

For a licence transfer, the advertisement must appear in the Classified Section of: (1) a newspaper (Saturday edition) with province-wide circulation; (2) a newspaper circulating in the area to where the licence is being transferred; and (3) a newspaper circulating in the area from where the licence is being transferred.

The applicant must demonstrate that the advertisement has been placed in the appropriate manner by submitting a copy of the advertisement, the newspapers utilized and the dates of placement.

6.1.2 Procedure

The Secretariat will review the advertisement and get copies of newspapers to ensure policy has been followed.

6.1.3 Rationale

To provide for a more open and transparent licensing system, the public must be fully aware of all applications for new licences, licence transfers or changes in operator. Advertisements in province-wide and local newspapers prior to application will give people an opportunity to provide comments to the Board in the early stages of the review process.

6.2 Licence Activity

This section deals with the policy regarding requirements for fish processing and buyer's licences to remain active.

6.2.1 Policy

A species or species group of a primary processing licence is considered active if the plant maintains the minimum production level (based on round weight equivalent) for that species or species group in either of two consecutive calendar years as outlined in Section 1.4.

A species or species group of a retail processing licence is considered active if the operation produces at least one pound of finished weight production for that species or species group in either of two consecutive calendar years.

A species or species group of a buyer's licence is considered active if the buyer purchases at least one pound of that species or species group in either of two consecutive calendar years.

If a renewal request for any type of licence is not received for two consecutive licensing years, the licence will be cancelled permanently.

The Minister shall set the minimum production levels for each species or species group.

If a species or species group of a fish processing licence, retail processing licence or buyer's licence is deemed to be inactive, that particular species or species group will be removed from the licence.

Activity for a fish plant or retail processing operation is determined based on monthly production reports.

Activity for a buyer's licence is determined based on information provided by the Department of Fisheries and Oceans.

6.2.2 Procedure

The Department will:

- generate an annual production and purchase report for each processor and buyer, in January of each year;
- review data to determine inactivity for licenced species or species groups; and
- determine inactive species or species group(s) on licences as well as inactive licences.

6.2.3 Rationale

Requiring processing facilities and buyers to remain active is a means of ensuring that licences are being utilized. As well, the elimination of inactive licences will bring about a measure of rationalization over time, resulting in a better balance of processing capacity with resource availability.

6.3 Agency Agreements

This section covers the policy and procedure for the establishment of Agency Agreements between buyers and processors.

6.3.1 Policy

Agency Agreements may be approved by the Minister to allow established holders of processing licences and buyer's licences to buy fish not identified on their licences for/on behalf of a buyer or processor holding a licence authorizing it to buy such species. Only holders of fish processing or buyer's licences may be authorized as agents.

All fish purchased by an agent must be shipped in the form in which it was purchased, directly to the processor or buyer they represent.

An agent must issue the Department of Fisheries and Oceans purchase receipts to harvesters in their name followed by the name of the buyer or processor they represent.

Once approved, it is the responsibility of the buyer or processor to update the Department on the status of their Agency Agreements.

A person or company who does not hold a fish processing or fish buyer's licence must be employed by a fish processor or buyer in order to buy fish from a harvester and must issue the Department of Fisheries and Oceans official purchase receipts in the licence holder's name.

6.3.2 Procedure

- A fish buyer or processor must submit a request to the Minister for approval to appoint an agent to buy fish on their behalf.

- All Agency Agreements will be reviewed to verify that the agent and the company/ individual submitting the agreement hold valid licences with the Department of Fisheries and Aquaculture. If valid licences are in place, a formal authorization may be issued by the Minister to prescribe the manner in which the agent may operate.

- A copy of the authorization will be forwarded to the Department of Fisheries and Oceans and to Regional Directors for distribution to inspection staff.

6.3.3 Rationale

The implementation of this policy will allow established processors and buyers to maintain their business relationships with their fish harvesters for all species landed.

6.4 Northern Labrador

This section covers the policy with respect to Northern Labrador.

6.4.1 Policy

All plants in Northern Labrador (i.e., North of Lake Melville) may be given special consideration where resource availability warrants such consideration. Species or species groups may be added to processing licences in this area without consideration of factors such as resource thresholds. Any recommendations made by the Board with respect to Northern Labrador must take into consideration provisions contained in any relevant land claim agreement(s).

6.4.2 Rationale

In order to develop the fishing industry in Northern Labrador, special consideration may be given to plants in this area.

6.5 Value-added Snow Crab Licences

This section deals with the policy and procedure regarding value-added snow crab licences. These are specialty licences with limitations on the types of products that can be produced and a cap on the amount of raw material that can be purchased. No new licences of this type will be issued.

6.5.1 Policy

Value-added snow crab licence holders will be authorized to produce "snap and eat", consumer pack, and other value-added product forms approved by the Minister.

The licence holder will be permitted to purchase raw material directly from fish harvesters.

Snap and eat scored snow crab sections may be produced in any size pack.

Consumer pack snow crab sections shall not be produced in a consumer pack which exceeds 2 pounds (907 grams).

The licence holder shall submit a report of all processed snow crab products to the Minister on a daily basis.

6.5.2 Procedure

The Department will:

- review value-added snow crab production reports to ensure compliance with policy;
- schedule and conduct audits;
- prepare a report; and
- file the report with the Deputy Minister who will maintain files in a secure manner.

6.6 Collection of Statistics

This section deals with the policy and procedure regarding the collection of monthly production and purchases, employment statistics and special monitoring programs.

6.6.1 Policy

Licensed fish processors are required to submit the monthly production and employment forms by the 10th day of each month.

Licensed fish processors will be required to submit additional production and employment information as required by the Minister throughout the year.

If a company's production or employment is NIL for a particular month, then the company must submit the form, indicating NIL.

The Department may request additional information as needed.

If the required report or information requested is not received within the specified time frame, charges may be laid or administrative penalties applied.

Procedure

The Department will:

- forward the monthly production, purchases and employment report forms to all licenced fish processors;
- ensure that forms are completed and received by the deadline. (If a company does not submit a report on time, they will be advised to do so immediately or be subject to administrative penalties and/or charges); and
- enter all statistical data into the Processing and Licensing Application for Notification and Tracking (PLANT) system.

6.6.2 Rationale

In order to monitor the processing sector and to be able to respond to changing conditions, it is important that statistics are available as needed. Daily reports are required for such fisheries as capelin, shrimp and snow crab, where it is important that more timely information is available.

6.7 Audit of Fish Processing

This section deals with the policy and procedure for conducting audits of fish plant production.

6.7.1 Policy

It is a condition of all fish processing licences that licence holders must report their production as requested by the Minister.

In order to ensure that licence holders are submitting accurate production reports, the Compliance and Enforcement Division will conduct an annual audit of fish plant production or more frequent audits, if necessary.

6.7.2 Procedure

The Department will:

- Schedule and carry out company audits;
- Prepare a report; and
- File report with the Deputy Minister who will maintain these files in a secure manner.

6.7.3 Rationale

The Department of Fisheries and Aquaculture is responsible for the collection of fish plant production statistics. These statistics are used by the Department, other government departments and agencies and other industry participants. An audit will ensure that companies are reporting production consistently in the form required by the Department and will ensure accuracy of the data.

6.8 Transitional Licences

This section deals with the policy and procedure regarding transitional licences which are temporary licences issued to facilities that were newly licensed or changed operators in 2002, 2003 or 2004.

6.8.1 Policy

Processing facilities that were newly licensed or changed operators in 2002 will be issued species or species groups on their licences based on 2002, 2003 and 2004 production data.

Processing facilities that were newly licensed or changed operators in 2003 will be temporarily issued all species they currently hold until the end of the 2005 calendar year. Production records will then be reviewed and the facilities will be issued species or species groups based on at least 1 tonne of finished product for those species or species groups in one of 2003, 2004 or 2005.

Processing facilities that were newly licensed or changed operators in 2004 will be temporarily issued all species they currently hold until the end of the 2006 calendar year. Production records will then be reviewed and the facilities will be issued species or species groups based on at least 1 tonne of finished product for those species or species groups in one of 2004, 2005 or 2006.

A transitional licence is a temporary authorization to produce a species or species group and is not eligible for transfer to another facility.

6.8.2 Procedure

The Department will:

- review production data for all transitional licences at the end of their respective expiry dates;
- determine if facilities meet minimum production criteria for various species and species groups; and
- make necessary changes on licence renewals.

6.8.3 Rationale

The issuance of species or species group licences for 2005 is based on a minimum of one tonne of finished product for that species or species group in one of 2001, 2002 or 2003. To be fair to all operations, facilities that were licensed or changed operators in 2002, 2003 or 2004 will maintain current licensed species for three consecutive years, including the year the licence was issued or changed ownership. These plants will then be issued species licences based on the same criteria used to issue species licences for all other plants.

7.0 Species Licence Appeals

This section deals with the policy and procedure regarding the appeal process for species licences commencing in 2005.

7.0.1 Policy

Plants will be given from April 1, 2005 to March 31, 2006 to appeal the licences issued to them for 2005.

Plants granted transitional licences will be given 12 months from the expiry date of their transitional licences to appeal species and species groups issued on their licences.

Plants will be able to submit an appeal requesting species licences that were not issued to them, based on extenuating circumstances such as fire, labour dispute, natural disaster, and/or discrepancies in production data provided to the Department.

7.0.2 Procedure

Secretariat

The Secretariat will:

- record appeal and ensure it meets guidelines;
- acknowledge receipt and outline the appeal process to the applicant;
- copy appeal to Board members and the Minister;
- review appeal and prepare necessary background and relevant information;
- seek comments and information from Regional Directors;
- compile background information and comments/information from Regional Directors; and
- put appeal on the agenda for the next Board meeting, provide Board with summary, take minutes and prepare a record of recommendation for submission to the Minister.

Board

The Board will:

- review appeal and relevant information from the Secretariat and Regional Directors;
- evaluate the appeal based on government policy and appeal guidelines;
- reach a consensus on a recommendation, but where a consensus cannot be achieved, vote on appeal with the final recommendation based on majority rule; and
- submit record of recommendation to the Minister.

Minister

The Minister will:

- review the record of recommendation from the Board;
- make final decision on the appeal; and
- inform the applicant of his/her final decision.

7.0.3 Rationale

There may be circumstances beyond the control of some operations that prevented them from meeting the criteria to be issued a licence. The appeal process will enable the plant to provide additional information and present their case to the Board.

ANNEX A – Licensing Fees

The following licence fees apply to various types of licences and species. These fees are subject to change. Secondary and aquaculture processing licences are not required to pay base fees or surcharges on species and species groups. Similarly, fish buyer's and handling licences are also not required to pay base fees or surcharges on species or species groups.

Type of Licence	Fee
In-Province Retail Processing Licence	$1,500
Secondary Processing Licence	$1,500
Aquaculture Processing Licence	$1,000
Fish Buyer's Licence	$1,500
Handling Licence	$1,500

Species (i.e., Primary Licence)	Base Fee	Surcharge/Tonne[1]
Groundfish	$2,000	$1.00
Pelagics	$2,000	$2.00
Snow Crab	$5,000	n/a
- Snow Crab, Semi-processed (e.g., sections)	n/a	$30.00
- Snow Crab, Other (e.g., meat)	n/a	$0.00
Shrimp	$2,500	$5.00
Clam	$2,500	$10.00
Crab, Other	$500	$1.00
Eel	$500	$1.00
Lobster	$500	$0.00
Lumpfish	$500	$3.00
Mussels (Aquaculture)	$500	$1.00
Salmonids (Aquaculture)	$500	$1.00
Salmonids (Wild)	$500	$1.00
Scallop	$500	$1.00
Sea Cucumber	$500	$0.00
Sea Urchin	$500	$1.00
Seal	$500	n/a
- Seal Meat	n/a	$0.00
- Seal Oil	n/a	$1.00
- Seal Pelts[2]	n/a	$0.10
Tuna	$500	$0.00
Whelk	$500	$0.00

1 - Surcharge/Tonne refers to the surcharge per tonne on finished production of the species or species group in the previous calendar year.

2 - Surcharge for seal pelts is on a per pelt basis.

n/a – not applicable

ANNEX B – Application Forms

Instructions for completion of the Fish Processing Licensing Application

Fish Processing Licence

Transfer of a Fish Processing Licence

Change of Operator of a Fish Processing Licence

Annual Report for 2004 (Calendar Year)
To be submitted with the Annual Application

Annual Processing Plan for 2005 (Calendar Year)
To be submitted with the Annual Renewal Application

ANNEX C – Application Fees

Type of Application	Fee
New primary processing licence (one or more species)	$7,500
New species to be added to a primary processing licence	$2,500
New emerging species to be added to a primary processing licence	$1,000
New secondary processing licence (one or more species)	$1,000
New species to be added to a secondary processing licence	$1,000
New primary processing licence for aquaculture	$1,000
New species added to a primary processing licence for aquaculture	$1,000
Transfer of a whole licence (all species) between existing processing facilities	$7,500
Transfer of a whole licence (all species) from an existing processing facility to a new fish processing facility	$7,500
Transfer of one or more species from an active fish processing facility to another active fish processing facility	$2,500
Transfer of all species of an in-province retail processing licence	$1,500
Transfer of one or more species from an active in-province retail facility to another active in-province retail facility	$1,000
Change of operator	$2,500

Annex D – Advertisement Specifications

The following specifications shall apply for advertisements outlining the applicant's intent to submit an application to the Board for a new licence, licence transfer or change of operator:

Information in Advertisements

Depending on the type of licence application, the following information must be included:

New Licence (Primary, Secondary or Aquaculture) or Addition of Species
- Company name and location of applicant
- Type of licence
- Species being requested
- Location of processing facility
- Deadline for comments (i.e., 2 weeks from the date the ad will last appear in the newspaper)

Transfer of Species or Licence (i.e., All Species)
- Name and location of company to which species or licence transfer is being requested
- Type of licence being transferred
- Species being transferred
- Name and location of company from which species or licence transfer is being requested
- Plant location to where species or licence transfer is requested
- Deadline for comments (i.e., 2 weeks from the date the ad will last appear in the newspaper)

Change of Operator
- Name and location of company planning to purchase or lease the licensed processing facility
- Community in which the processing facility is located
- Company that is currently operating the processing facility
- Deadline for comments (i.e., 2 weeks from the date the ad will last appear in the newspaper)

Size of Advertisements

All advertisements must be a minimum size of 2.25 inches in width and 5 inches in height. A sans serif font such as Arial should be used for all text. The heading of the ad must be all capital letters and bold style with a minimum of 11 Point Size. All other text in the ad must be a minimum of 10 Point Size.

Advertisement Placement

All advertisements must appear in the Classified Section of the newspaper.

Sample Advertisements

Sample ads for the various types of licence applications are shown on the following page.

Sample Advertisements

NEW LICENCE

NOTICE OF FISH PROCESSING LICENCING APPLICATION

TAKE NOTICE that ABC Seafood Ltd. of Fish Bight is applying under the provisions of the *Fish Inspection Act* and *Fish Processing Licencing Board Act* for the issuance of a Primary processing licence for Pelagics and Groundfish in Fish Bight in the Province of Newfoundland and Labrador.

Comments on this application should be directed to:

Fish Processing Licensing
Board Secretariat
P. O. Box 8700
St. John's, NL A1B 4J6
Tel: 709-729-3736
Fax: 709-729-5995
Email: fplbsecretariat@gov.nl.ca

Comments must be received no later than February 27, 2005.

LICENCE TRANSFER

NOTICE OF FISH PROCESSING LICENCING APPLICATION

TAKE NOTICE that ABC Seafood Ltd. of Fish Bight is applying under the provisions of the *Fish Inspection Act* and *Fish Processing Licencing Board Act* to transfer a Primary processing licence for Sea Cucumber from Tuns-a-Fish Inc. in Fish Harbour to Fish Bight in the Province of Newfoundland and Labrador.

Comments on this application should be directed to:

Fish Processing Licensing
Board Secretariat
P. O. Box 8700
St. John's, NL A1B 4J6
Tel: 709-729-3736
Fax: 709-729-5995
Email: fplbsecretariat@gov.nl.ca

Comments must be received no later than February 27, 2005.

CHANGE OF OPERATOR

NOTICE OF FISH PROCESSING LICENCING APPLICATION

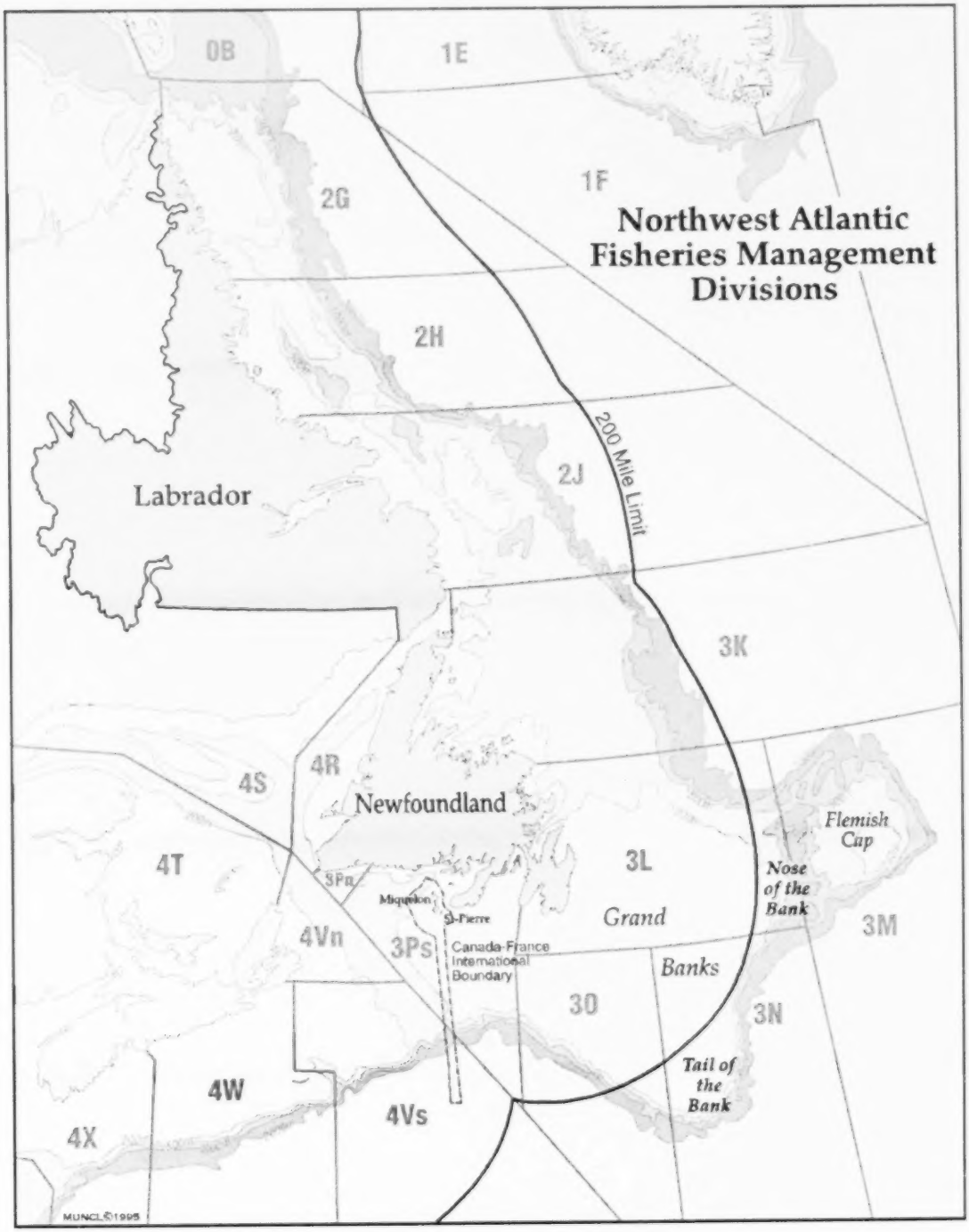
TAKE NOTICE that ABC Seafood Ltd. of Fish Bight is applying under the provisions of the *Fish Inspection Act* and *Fish Processing Licencing Board Act* for a change of operator in the processing facility at Trout Cove currently operated by Lotsa Seafood Co. in the Province of Newfoundland and Labrador.

Comments on this application should be directed to:

Fish Processing Licensing
Board Secretariat
P. O. Box 8700
St. John's, NL A1B 4J6
Tel: 709-729-3736
Fax: 709-729-5995
Email: fplbsecretariat@gov.nl.ca

Comments must be received no later than February 27, 2005.

ANNEX E – NAFO Management Zones



ANNEX E – NAFO Management Zones